THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.10946 of 2006

Dated:01-06-2006

Between:

Smt.S.Suguna, W/o.Mohan Raju.

…Petitioners

And

The A.P.State Road Transport Corporation, Tirupati Region.

…Respondents

THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.10946 of 2006

O R D E R:

The petitioner hired her vehicles bearing Nos.AP-03V-4147 and AP-03V-3157 to the Andhra Pradesh State Road Transport Corporation ('APSRTC' for brevity) in its Tirupati region. The contract came to an end with a view to put the vehicles to some other use. The petitioner approached the respondent herein for issuance of clearance certificate. The grievance of the petitioner is that the respondent is not issuing clearance certificate on the ground that the vehicles were involved in accidents when they were under hire and that claim petitions are pending before various Motor Accidents Claims Tribunals. The petitioner seeks appropriate direction in this regard.

Heard the learned Counsel for the petitioner and the learned Standing Counsel for

the respondent.

The vehicles, referred to hereinabove, which were hired to APSRTC, belonged to the petitioner. It is not in dispute that they were involved in accidents when they were under hire and certain claims have been made by the victims before the concerned Motor Accidents Claims Tribunals. The liability to pay compensation to the victims in such accidents squarely rests with the owner of the vehicle or its insurer and not upon APSRTC. It was in this context that the respondent insisted that it would not be possible to issue clearance certificate, unless the claims are settled or necessary indemnification is done.

Learned Counsel for the petitioner submits that his client is prepared to file undertaking with the respondent as well as with the Tribunals to indemnify the Corporation.

For the foregoing reasons, the Writ Petition is disposed of directing that in case the petitioner files separate indemnity bonds with the respondent in respect of each of the accidents and detailed memos in the Motor Accidents Claims Tribunals in the corresponding Original Petitions undertaking to indemnify the APSRTC, and to take the liability upon itself, the respondent shall issue clearance certificate. There shall be no order as to costs.

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(**L.NARASIMHA REDDY, J)**

01st June 2006

vs/gj